



Senate Majority Leader Mitch McConnell
House Speaker Nancy Pelosi
Senate Minority Leader Chuck Schumer
House Minority Leader Kevin McCarthy

May 20, 2020

Please Pass the Paycheck Protection Flexibility Act

Dear Leader McConnell, Speaker Pelosi, Leader Schumer and Leader McCarthy,

I am writing to urge you to pass the Paycheck Protection Flexibility Act, legislation that would improve small businesses' ability to take advantage of the SBA's Paycheck Protection Program (PPP) loans to offset the negative economic impact of the COVID-19 crisis.

As CEO of the leading nonprofit trade association representing the marketing research and data analytics industry,¹ I appreciate your continued support for America's small businesses, including many of our members, suffering from the pandemic's economic fallout, and for previously approving the new forgivable small business loan programs in the CARES Act and replenishing the programs' funding.

As we talk to our members, most report that clients (representing both large and small businesses, for-profit and non-profit, who are feeling the impact of the

¹ Our \$35 billion industry in the United States includes qualitative research, quantitative research, and data analytics. Both the private and public sectors rely upon the insights generated by our work. We are the world's leading producers of intelligence, analytics and insights defining the needs, attitudes and behaviors of consumers, organizations, employees, students and citizens. With that essential understanding, leaders can make intelligent decisions and deploy strategies and tactics to build trust, inspire innovation, realize the full potential of individuals and teams, and successfully create and promote products, services and ideas.

economic shutdown) have stopped commissioning new projects or have cancelled programs already purchased (for some of which our member firms have already outlaid substantial startup money).

Further, most in-person insights business locations have been forced to shut their doors and cease operations, particularly many qualitative focus group facilities and telephone call centers. While a lot of marketing research and data analytics operations can be transitioned to function remotely, nowhere near all of them can.

The proposed Paycheck Protection Flexibility Act would provide several improvements to the PPP loan program that would make it more useful for its stated purpose (saving some of the suffering American small businesses and their staff):

1. The PPP loans are potentially forgivable, but currently restricted to an 8-week timeline. The Act would allow forgiveness covering a significantly broader period.
2. The Paycheck Protection Flexibility Act would eliminate the cap on non-payroll expenses. At least 75 percent of a PPP loan's value must currently go to payroll, but as the sponsors have pointed out, "For many businesses, payroll simply does not represent 75% of their monthly expenses and 25% does not leave enough to cover mortgage, rent, and utilities. Retaining employees is not possible if a business cannot retain their physical location."
3. The proposed legislation would eliminate the term limitations on PPP loans, currently set at two years. As pointed out by the sponsors, "If the past is any indication of the future, it will take many businesses more than two years to achieve sufficient revenue to pay back the loan."
4. The Act would allow businesses to take both the payroll tax deferment and PPP loans, instead of one negating access to the other.
5. PPP loan forgiveness currently requires businesses to rehire employees by June 30, 2020, but between government-forced closure orders and heightened levels of unemployment insurance benefits, some businesses are struggling to rehire staff. The draft bill would extend that deadline to coincide with the expiration of the higher levels of unemployment insurance.

Our American industry is the most successful insights market in the world, representing almost half of all global marketing research and data analytics. We generate more research revenue than any other country in our field, but the pandemic-spawned economic crisis severely threatens that standing. Your actions

will help determine the standing of our industry and the survival of many of our businesses and professionals in the coming days and months (and, hopefully, years).

Thank you for your consideration of the Insights Association's request to approve the Paycheck Protection Flexibility Act as soon as possible. The Act will help American small businesses in the marketing research and data analytics industry make full use of the PPP loans.

Sincerely,

Melanie Courtright

Chief Executive Officer

Insights Association

CC: Rep. Dean Phillips (D-MN-03)

Rep. Chip Roy (R-TX-21)